

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY**

In the Matter of

N11 Codes and Other Abbreviated
Dialing Arrangements

CC Docket No. 92-105

IAD File No. 94-101

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**COMMENTS OF THE
NATIONAL NEWSPAPER ASSOCIATION**

The National Newspaper Association hereby submits comments in response to the Public Notice in the above referenced matter.¹

The National Newspaper Association (NNA) is the oldest and largest (in terms of numbers) national newspaper trade association in the United States. It dates from 1885 and has more than 4,200 community newspapers as members, with a total circulation of more than 32 million. That membership includes most of the weekly newspapers and more than one-third of the daily newspapers in the country. The National Newspaper Association represents newspapers before all branches of government, and its primary mission is to protect, promote and enhance America's community newspapers.

NNA welcomes the opportunity to comment on the requests of federal agencies and others for the assignment of N11 codes—it is extremely important that the Commission consider the importance of assigning N11 service to information service providers (such as community newspapers) and absolutely essential that it make N11 service available only on a local basis.

¹ Commission Seeks Comment on Requests of Federal Agencies and Others for the Assignment of N11 Codes, *Public Notice*, IAD File No. 94-101, June 17, 1994 (the "Notice").

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NNA urges that the petition of the General Services Administration (GSA)² and the request of the National Association of State Telecommunications Directors (NASTD)³ be denied, and that the Commission adopt a policy of no nationwide or statewide assignment of N11 numbers.

I. Use of N11 Codes for Information Services is in the Public Interest, and Would Further Distribution of News and Information.

The purpose of the construction of the "information superhighway" is to ensure that all citizens have convenient access to information at affordable rates. This information includes access to libraries, databases, health and medical resources, educational materials, stock markets, recreation and entertainment, and, of course, world, national, regional, state and local news and events. N11 service is a part of the superhighway that is readily available today, and it has the potential to provide consumers with quick access to a wide range of information services in a format that is simple, easy to remember, and relatively inexpensive. With N11 codes available to information service providers as tools of dissemination, consumers will be able to benefit from a vast array of news and information, available by simply placing a telephone call.

Undoubtedly, the comments of the large Media Parties and other large information service companies will speak to the countless and impressive services that N11 will allow their companies to offer to the information consumer—NNA certainly agrees that the availability and diversity of such services will trigger innovation and competition that will benefit the public

² The General Services Administration, *Petition for Declaratory Ruling Assigning an N11 Dialing Code for use by the Public in Gaining Access to the Services of the Federal Executive Agencies*, March 11, 1994 (the "GSA petition")

³ National Association of State Telecommunications Directors, *Ex Parte Presentation in CC Docket No. 92-105*, September 22, 1993.

interest. Community newspapers, however, have an important service to offer in the local areas they serve—information about *local* news and events. Community newspapers specialize in gathering and distributing local information. School lunch menus, high school sports scores, death notices, local government meeting notices, civic and community service information and hundreds of other important daily details of community life may not be of interest to large, sophisticated information service providers, but they are of great interest to the citizens of America's communities. A community newspaper, if assigned an N11 number on a local basis, can offer such information to the citizens in its local area.

A. N11 codes are the most practical way for rural and community newspapers to get into the electronic information services market at this time.

Customers and service providers agree that N11 codes are among the most convenient and user-friendly means currently available for accessing information services through the telephone.⁴ For years, customers have dialed N11 codes to access local directory assistance (411), telephone company repair services (611), and Local Exchange Company (LEC) business services (811) in a simple, easy-to-remember manner. Consumers associate N11 codes with a variety of local information services and, in the context of 411, have become accustomed to low-cost, telephone company-billed, rapid dialing arrangements for such services.

N11 codes are superior in several respects to alternative dialing arrangements for community newspapers to make information services available to the public. First, information

⁴ See, *In the Matter of The Use of N11 Codes and Other Abbreviated Dialing Arrangements*, CC Docket 92-105, Initial Comments of the Ad Hoc Telecommunications Users Committee, Filed June 5, 1992, at 2.

services based on N11 codes can deliver information with fewer dialed digits and greater flexibility than services based upon alternative dialing arrangements like 976, 900, or 950 numbers. That is important, because public demand for information services depends on quick access, ease and flexibility of use. Judged by these criteria, access based upon N11 is substantially superior to a scheme that requires the consumer to dial between seven and eleven digits to reach desired information.

Second, very few of the small, community newspapers that make up NNA's membership can afford to offer telephone-based information services because of the significant investment they require without any available avenue for earning a return on that investment. The pricing and reputation of 976 and 900 services make them unattractive options. In the small towns and rural areas served by community newspapers, there are not many large, commercial advertisers willing to underwrite voice information services in exchange for promotion of their businesses. In addition, smaller, independently owned newspapers typically operate on a very thin margin of profit, depending on every available revenue source just to make ends meet. N11 service, however, would permit community newspapers to generate revenues to support their information services.

N11-based services are associated in the public's mind with low cost (e.g., the \$.25-.50 per call charged for directory assistance). As a pay-per-call service, N11 would allow community newspapers to recover the costs of their services from users, without having to rely solely on advertisers or sponsors to support the service. The elements of automatic billing and collection by the local telephone company would make it economically feasible for a community

newspaper to use N11 service to provide specialized information in its local area, provided the rate charged by the LEC does not make the service prohibitively expensive.⁵

Unless community newspapers are afforded access to N11 service, most small daily and weekly newspapers will not be able to provide telephone-based information services to the communities they serve. The combination of ease of use, recall and flexibility, and non-prohibitive costs makes N11 the most practical vehicle for community newspapers to offer highly localized information services aimed at the general public. Providing easy public access to low-cost, telephone company-billed, local information services that the public desires is clearly in the public interest.

II. Because of the scarcity of N11 numbers, the assignment of an N11 number on a nationwide or statewide basis would encourage monopolies and promote domination of the news and information marketplace by a few large providers.

As discussed above, several elements of N11 service make it an ideal resource for community newspapers to provide highly localized telephone-based services to information consumers. For many of the same reasons, N11 service is not appropriate for use on a statewide or nationwide basis.

⁵ NNA supports the concept of "tiered" N11 rates, as contained in Florida's N11 tariff and as being considered by the Georgia Public Service Commission and Tennessee Public Service Commission. Tiered rates are based on the number of exchanges in each local area served, reflecting the fact that it will be cheaper for the local telephone companies to provide N11 service outside larger metropolitan areas where there are fewer central offices. This type of rate structure allows prevents N11 service from being cost-prohibitive to local information providers seeking to provide telephone-based services in their communities.

N11 numbers are an extremely scarce resource⁶ that are better suited to local than national or state uses. Telephone companies now use them locally and uses of N11 numbers are far from uniform across the country. Put simply, local N11 assignment will permit more people to use N11 numbers. National or statewide assignment would limit N11 to only a select few (four to six at best) companies. Local assignment would permit thousands of different parties, such as community newspapers, to obtain N11 numbers in their local area to provide specifically focused local services.

If N11 numbers were limited in availability by assigning them statewide or nationwide, it would be virtually impossible for community newspapers to obtain an N11 number to offer important local news and information electronically in America's small and rural communities. A statewide N11 number, much less a nationwide N11 number, would not be practical for use by a community newspaper simply by virtue of the nature of the information they have to offer—local news and events. Statewide or nationwide assignment of N11 codes would create a much more limited marketplace for the scope and type of information that could be offered through N11 service, allowing larger information providers with the ability to provide broader content to state or national audiences to gain a distinct advantage over smaller information providers offering important local news and information to a more focused, local audience. On the other hand, *local* N11 assignment would allow larger information providers access to N11 numbers in large metropolitan areas where there is a greater market for their services, while at the

⁶ Under the North American Numbering Plan (NANP), N represents any digit between 2 and 9. Accordingly, there are a total of eight N11 codes. In most jurisdictions, however, only 4 N11 codes are available for assignment because several codes already have been reserved for specified uses—411 for directory assistance, 611 for LEC repair services, 811 for LEC business offices and 911 for local emergency services.

same time allowing community newspapers access to N11 numbers in small communities and rural areas where there is a market for news and information that is more local in nature. The public interest value, no matter how meritorious, of making N11 services available to only four companies nationwide or statewide cannot possibly outweigh the public interest value of making thousands of N11 services available across the country to information consumers in their local areas.

In the states that have already assigned N11 numbers or are considering allowing N11 service, community newspapers have been active in petitioning the state public utility commissions for assignment of N11 numbers outside the large metropolitan areas of the state on a local basis, and have met with some success. In Georgia, where N11 numbers were assigned to larger companies in Atlanta, Athens, Augusta, Albany and Savannah, an N11 number was issued to *The Bainbridge Post-Searchlight*, a community newspaper serving the smaller community of Bainbridge. Similarly, in Tennessee, where several large companies in Nashville received N11 assignments, Lakeway Publishers, Inc. of Morristown received an N11 number for its small, local circulation area. In both of those states and in Florida (where there is local N11 assignment, but no community newspaper has applied), the rates for N11 service are tied to the population of the calling area, so that N11 service is potentially affordable to providers outside metropolitan areas.⁷ In these areas, N11 service has been assigned on a local basis in a conscious effort by the various states to prevent domination of the news and information marketplace by a few large providers. NNA urges the Commission to follow the example of these pioneer states where N11 service is just now emerging.

⁷ See *supra* note 5.

III. Providing N11 numbers on a nationwide or statewide basis to any political body would put government in control of important news and information dissemination tools, and would deny similar access to free press institutions that traditionally have served as the watchdogs of the government.

Statewide or nationwide assignment of N11 codes to government entities, as requested by the GSA and the NASTD, would, for many of the same reasons discussed above, put this scarce resource in the hands of only a few entities to the detriment of potentially thousands of others. The fact that the assignee of an N11 number is a state or federal government agency does not change the fact that community newspapers would be excluded from using these tools to disseminate telephone-based information and news on a local basis.

The fact that the assignee is a state or federal government agency does, however, have a potentially serious effect on the ability of the news media to provide an important check on the dissemination of news and information by the government. Especially where N11 is the only practical way for many of this Nation's newspapers to enter into the electronic information services market at this time, putting this powerful tool in the hands of government instead of in the hands of free press institutions, like community newspapers, would eliminate altogether in this medium newspapers' role in watching over the flow of public information to the people.

IV. Conclusion

As shown above, N11 numbers would allow community newspapers and other information providers to offer easy public access to low-cost, local information services in the

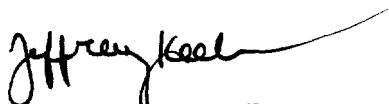
public interest. The National Newspaper Association endorses assignment of N11 numbers—the most practical way for community newspapers to enter the electronic information services market today—on strictly a local basis. The Commission should follow the example set by the few states that have assigned N11 numbers on a local basis, and should set an example for the many other states waiting to follow.

The National Newspaper Association therefore urges the Commission to avoid the dangers of assigning N11 numbers on a nationwide or statewide basis by adopting rules that would make N11 service available to local information providers and local communities.

Respectfully submitted,



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